Local Government Mandate Statement Kentucky Legislative Research Commission 2022 Regular Session

Part I: Measure Information

Bill Request #: 940			
Bill #: SB 49			
Document ID #: 12	42		
Bill Subject/Title: _	AN ACT relating to mo	otor vehicle insurance.	
Sponsor: Senator R	alph Alvarado		
Unit of Government:	City	X County	X Urban-County Unified Local
	X Charter County	X Consolidated Loc	
Office(s) Impacted:	County Attorneys, co	ounty jails	
Requirement: X	Mandatory Op	tional	
Effect on Powers & Duties: X	Modifies Existing	Adds New	Eliminates Existing

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

The proposed legislation amends KRS 186A.040 to lower the threshold for the number of revocations of a motor vehicle registration for failure to maintain auto insurance from three times in a 12-month period, to one time before an individual is referred to the county attorney for prosecution. A single revocation shall constitute violation of KRS 304.39-080 and trigger the referral for prosecution.

Upon revocation, the Transportation Department shall notify the county attorney to begin prosecution for violation of subtitle 39 of KRS Chapter 304. In addition to the revocation of the registration and suspension of the license plate, first time offenders may be fined at least \$500 but not more than \$1,000, be sentenced to not more than 90 days in jail, or both. For second and subsequent offenses within a five year period, a person could be sentenced to jail for 180 days, fined not less than \$1,000 nor more than \$2,500, or both. There is judicial discretion for applying these penalties upon production of proof of insurance.

The Kentucky Department of Transportation records show that in the last two years, there have been nearly 266,000 registrations cancelled due to failure to maintain required insurance coverage on a vehicle and approximately 83,500 of these reinstated.

Description	2020	2021
Registrations Cancelled and Reactivated	50,987	32,493
Registrations Currently Cancelled	80,766	101,651
Total Registrations Initially Cancelled	131,753	134,144

The impact of this bill is indeterminable. The estimated fiscal impact on county attorneys is likely to be moderate to significant and with a direct relationship on county population and the number of vehicles registered in a county. The Kentucky County Attorneys Association is fearful this bill would pose significant financial strain on county attorneys and believe that the legislation would cause many more cases to be prosecuted. This in turn would require additional resources including adding staff.

If there is any jail time applied at sentencing, then an additional impact will be seen by counties. A person convicted of a Class B misdemeanor may be incarcerated for up to 90 days. A person convicted of a Class A misdemeanor may be incarcerated for up to twelve months. Misdemeanants are housed in one of Kentucky's 74 full service jails or three life safety jails. While the expense of housing inmates varies by jail, this estimated impact will be based on an average cost to incarcerate of \$35.43 per day. While the majority of misdemeanor defendants are granted bail, those who do not will also cost local jails an average cost to incarcerate of \$35.43 per day.

Part III: Differences to Local Government Mandate Statement from Prior Versions

Part II, above, pertains to the bill as introduced.

Data Source(s): Kentucky Transportation Cabinet, Kentucky County Attorneys

Association; Kentucky Department of Corrections

Preparer: MJO (wfb) **Reviewer:** KHC **Date:** 1/18/22